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United States Senate

COMMITTEE ON BANKING, HOUSING, AND
URBAN AFFAIRS

WASHINGTON, DC 20510-6075

November 6, 2025

The Honorable Jerome H. Powell
Chair
Board of Governors of the Federal Reserve System
20th Street and Constitution Avenue NW
Washington, D.C. 20551

Dear Chair Powell:

I write amidst reports that Vice Chair for Supervision Michelle Bowman announced plans to cut roughly 30 percent of the staff in the Federal Reserve Board’s Division of Supervision & Regulation.¹ This reported staff reduction comes after months of efforts by the Trump Administration to dismantle the federal workforce and the Fed’s own plans for a 10 percent staff reduction.² It also comes as financial regulators—including the Fed—are tying supervisors’ hands, reducing loss-absorbing capital requirements, undermining stress tests, and loosening other safeguards. This wholesale deregulation comes right from Wall Street’s wish list, increasing the likelihood of big bank failures, taxpayer bailouts, executive malfeasance, and economic devastation for the American public. In light of these reports, I request information regarding the size of the Fed’s workforce, planned workforce cuts, and its ongoing capacity to adequately supervise and regulate large financial institutions.

As the nation’s central bank, the Fed is responsible for developing and implementing monetary policy, ensuring the stability of our financial system, supervising and regulating financial institutions, and administering the country’s payment system. Its Division of Supervision & Regulation is specifically responsible for “supervising--monitoring, inspecting, and examining--certain financial institutions to ensure that they comply with rules and regulations” and “operat[ing] in a safe and sound manner.”³ It is also tasked with issuing rules, regulations, and guidance “governing the formation, operations, activities, and acquisitions of financial institutions.”⁴ Supervision & Regulation staff play a key role in ensuring the integrity of our financial system, preventing the failure of financial institutions, and holding bank executives accountable.

¹ Wall Street Journal, “Federal Reserve to Reduce Bank Supervision Staff by 30%,” Dylan Tokar and Nick Timiraos, October 30, 2025, <https://www.wsj.com/economy/central-banking/federal-reserve-to-reduce-bank-supervision-staff-by-30-84fcd65f>.

² Reuters, “Fed’s Powell said central bank is cutting 10% of its staff,” September 17, 2025, <https://www.reuters.com/business/feds-powell-said-central-bank-is-cutting-10-its-staff-2025-09-17/>.

³ Federal Reserve, “Supervision & Regulation,” <https://www.federalreserve.gov/supervisionreg.htm>.

⁴ *Id.*

Despite the importance of this division, recent reports suggest that Vice Chair Bowman has moved to cut Supervision & Regulation staff by nearly a third. Specifically, the Vice Chair is reportedly reducing staff at the Supervision & Regulation Division “by about 30% to 350 people,” down from “roughly 500” over the course of the next year.⁵ She is also allegedly working to “restructure” the division.⁶

This staff reduction comes in the wake of President Trump’s efforts to reduce the size of the federal workforce, including through illegal firings, Reductions in Force, and Deferred Resignation Programs. Since President Trump took office, other financial regulators have also reduced staff, including in the bank examination workforce.⁷ It also comes as the banking agencies actively grant Wall Street’s deregulatory wish list. The Federal Reserve has proposed to cut loss-absorbing capital requirements at megabanks by 27% or roughly \$200 billion, handed Wall Street the answer key to the annual stress tests, and is attempting to inflate big bank supervisory ratings so banks appear healthier than they are in reality. Taking more cops off of the Wall Street beat only exacerbates this toxic mix of deregulatory actions that turn the clock back to the early 2000s. I am deeply concerned that President Trump’s Vice Chair for Supervision is paving the way for another financial crash. It will not be Vice Chair Bowman who suffers the resulting economic pain—it will once again be working class Americans who will be left to pick up the pieces.

To help me better understand the Fed’s current capacity to supervise and regulate financial institutions, I request the following information no later than November 20, 2025:

1. Provide an organizational chart depicting all relevant divisions, subdivisions, and program offices of the Fed’s Board of Governors and each of the 12 Reserve Banks, as of January 20, 2025.
 - a. Provide the total number of employees employed at the Fed’s Board of Governors and at each of the 12 Reserve Banks as of January 20, 2025.
 - b. Provide the total number of employees employed at each applicable division, subdivision, office, and program, including but not limited to the Division of Supervision & Regulation, as of January 20, 2025.

⁵ Post on X, Andrew Ackerman (@macker), October 30, 2025, <https://x.com/amacker/status/1983952049654886462>; Wall Street Journal, “Federal Reserve to Reduce Bank Supervision Staff by 30%,” Dylan Tokar and Nick Timiraos, October 30, 2025, <https://www.wsj.com/economy/central-banking/federal-reserve-to-reduce-bank-supervision-staff-by-30-84fcd65f>.

⁶ *Id.*

⁷ Reuters, “US bank regulator lays out plans for 20% staff reduction, emails says,” Pete Schroeder, April 21, 2025, <https://www.reuters.com/business/world-at-work/us-bank-regulator-lays-out-plans-20-staff-reduction-emails-says-2025-04-21/>; The Washington Post, “Banking regulator rescinds more than 200 job offers for examiners it needs,” Andrew Ackerman, January 27, 2025, <https://www.washingtonpost.com/business/2025/01/27/fdic-bank-examiners-joboffers-rescinded/>.

2. Provide the same organizational chart depicting all relevant divisions, subdivisions, and program offices of the Fed's Board of Governors and each of the 12 Reserve Banks in effect as of October 29, 2025.
 - a. Provide the total number of employees employed at the Fed's Board of Governors and at each of the 12 Reserve Banks as of October 29, 2025.
 - b. Provide the total number of employees employed at each applicable division, subdivision, office, and program, including but not limited to the Division of Supervision & Regulation, as of October 29, 2025.
3. Reports suggest that Vice Chair Bowman announced plans to cut roughly 30 percent of the staff in the Division of Supervision & Regulation and to "restructure" the division. If true:
 - a. Provide copies of any guidance, directives, pre-recorded town hall videos, or other communications provided to Fed staff regarding the staff cuts.
 - b. Explain the decision-making process surrounding the staff cuts. Which individual or group of individuals made the decision to reduce Supervision & Regulation staff? Provide copies of written communication or other documents describing the decision-making and deliberation process.
 - c. When will this staff reduction go into effect? Why was this date, or timeline, selected?
 - d. Please provide an updated organizational chart for the Division of Supervision & Regulation accounting for these staff reductions and any other planned structural changes to the division.
 - e. What impact will this staff reduction have on the Fed's ability to engage in its supervision and regulatory activities, including but not limited to its ability to regulate and supervise financial institutions?
4. The Fed previously announced a broad 10% staff reduction across the entire Federal Reserve System. Please provide an update on this effort, including how many additional reductions are planned and in which division, subdivision, office, and program.

Sincerely,



Elizabeth Warren
Ranking Member
Committee on Banking,
Housing, and Urban Affairs